GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:166
ANSWERED ON:25.07.2005
REDUCTION IN PRICES OF LIFE SAVING DRUGS
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Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether the Government has decided to reduce the prices of life saving drugs including Cancer and AIDS; and

(b) if so, the details thereof and by when the decision is likely to be come in force?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS AND MINISTER OF STEEL (SHRI RAM VILAS PASWAN)

(a) and (b) The Drugs (Prices Controi) Order, 1995 (DPCO, 95) does noi make any distinction between Life Saving drugs and other drugs. There is no specific norms or guidelines to determine as to which drugs can be classified as life saving drugs. Every drug, in general, is considered useful in saving and prolonging of life.

DPCO, 1995 was promulgated by the Government videS.O. 18(E) dated 6.1.1995. The 74 bulk drugs specified in its First Schedule and the formulations based thereon are under price control and their prices are fixed/revised by the National Pharmaceutical Pricing Authority (NPPA) in accordance with the provisions of the DPCO, 1995. These drugs have been identified for inclusion under price control in the DPCO. 95 on the basis of criteria mentioned in the Modifications in Drug Policy, 1986`, announced in September, 1994. These criteria take into account the extent of usage and the market competition of various drugs. None of the 74 bulk drugs specified in the First Schedule of DPCO. 95 is an anti-cancer drug.

Prices of non-Scheduled formulations are fixed by the manufacturers themselves keeping in view the various factors like cost of production, marketing/selling expenses, Ft and D expenses, trade commission, market competition, product innovation, product quality etc. The Government takes corrective measures when the public interest is found to be adversely affected.

The fixation/revision of prices of bulk drugs/formulations is an ongoing process undertaken by the NPPA.